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DE RUEHBY #1207 3370705
ZNY CCCCC ZZH
P 020705Z DEC 08
FM AMEMBASSY CANBERRA
TO RUEHC/SECSTATE WASHDC PRIORITY 0603
INFO RUEHAK/AMEMBASSY ANKARA PRIORITY 0402
RUEHBJ/AMEMBASSY BEIJING PRIORITY 9269
RUEHRL/AMEMBASSY BERLIN PRIORITY 1040
RUEHBR/AMEMBASSY BRASILIA PRIORITY 0473
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 0178
RUEHJA/AMEMBASSY JAKARTA PRIORITY 5304
RUEHLO/AMEMBASSY LONDON PRIORITY 1930
RUEHME/AMEMBASSY MEXICO PRIORITY 0302
RUEHMO/AMEMBASSY MOSCOW PRIORITY 1514
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1131
RUEHOT/AMEMBASSY OTTAWA PRIORITY 2242
RUEHFR/AMEMBASSY PARIS PRIORITY 1485
RUEHSA/AMEMBASSY PRETORIA PRIORITY 0480
RUEHRH/AMEMBASSY RIYADH PRIORITY 0529
RUEHRO/AMEMBASSY ROME PRIORITY 1034
RUEHUL/AMEMBASSY SEOUL PRIORITY 9628
RUEHKO/AMEMBASSY TOKYO PRIORITY 3311
RUEHBS/USEU BRUSSELS PRIORITY
RUEHGV/USMISSION GENEVA PRIORITY 1971
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0727

C O N F I D E N T I A L CANBERRA 001207

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STATE PLEASE PASS USTR; STATE FOR EEB/TPP/MTAA B NAFZIGER

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TAGS: [EFIN](#) [ETRD](#) [PREL](#) [ECON](#) [WTRO](#) [AS](#)
SUBJECT: AUSTRALIA SHARES CONCERNS ON PROTECTIONISM

REF: STATE 125609

Classified By: ACTING ECON COUNS W ALBRIGHT REASONS 1.4 B, D

11. (C) GOA shares US concerns about protectionism in some G20 members. Australia has already made approaches in several G20 capitals, and is ready to cooperate closely with US. DFAT said the UK should be added to the list of countries taking protectionist steps because of how it has raised its air passenger duty. End summary.

12. (C) Econoff made reftel demarche on Tim Yeend, First Assistant Secretary for Trade Negotiations at the Department of Foreign Affairs and Trade (DFAT). Yeend was joined by Paul Myler, Assistant Secretary for DFAT's newly-created International Financial Crisis Taskforce, and Cathy Raper, Assistant Secretary of the Trade Commitments Branch. Yeend agreed with the points contained in reftel nonpaper, including the need to cooperate to deliver this message warning against protectionism. He said that the week of November 21, DFAT had sent in their embassies in Moscow, Buenos Aires, and Brasilia regarding the GOA's concerns about protectionist moves by those governments. As Yeend said, "the responses were not at all encouraging." Russia in particular seemed to "dodge" the issue, but nevertheless it was good to reinforce the point with them. Yeend said Brazil seemed to be in a balancing act between what they know is the right action and being supportive of Argentina; he said they seemed to be relying on Paraguay and Uruguay to vote down the move to raise some Mercosur external tariffs. Yeend said concerns about Indonesia were raised during the Australia-Indonesia Ministerial Forum in November, more over concerns about licensing than pharmaceuticals.

13. (SBU) Yeend said we should "add the UK" to the list of countries taking protectionist measures, criticizing the recent move by the United Kingdom to hike its air passenger duty on flights into the UK. He called it a "real WTO issue" in that it is a discriminatory tax not placed on domestic

flights and being more expensive for longer flights (like those from Australia).

¶4. (SBU) Comment: Australia's strong support is unsurprising. The GOA is ready to cooperate on further actions to try to stem protectionist sentiment, should that be required. End comment.

MCCALLUM